

**The President's Weekly Address**

*January 30, 2010*

At this time last year, amidst headlines about banks on the verge of collapse and job losses of 700,000 a month, we received another troubling piece of news about our economy. Our economy was shrinking at an alarming rate, the largest 6-month decline in 50 years. Our factories and farms were producing less, our businesses were selling less, and more job losses were on the horizon.

One year later, according to numbers released this past week, this trend has reversed itself. For the past 6 months, our economy has been growing again. And last quarter, it grew more quickly than at any time in the past 6 years.

This is a sign of progress. And it's an affirmation of the difficult decisions we made last year to pull our financial system back from the brink and get our economy moving again.

But when so many people are still struggling, when 1 in 10 Americans still can't find work and millions more are working harder and longer for less, our mission isn't just to grow the economy. It's to grow jobs for folks who want them and ensure wages that are rising for those who have them. It's not just about improvements we see in quarterly statistics, but ones people feel in their daily lives: a bigger paycheck; more security; the ability to give your kids a decent shot in life and still have enough to retire one day.

That's why job creation will be our number-one focus in 2010. We'll put more Americans back to work rebuilding our infrastructure all across the country. And since the true engines of job creation are America's businesses, I've proposed tax credits to help them hire new workers, raise wages, and invest in new plants and equipment. I also want to eliminate all capital gains taxes on small-business investment and help small businesses to get the loans they need to open their doors and expand their operations.

But as we work to create jobs, it is critical that we rein in the budget deficits we've been accumulating for far too long, deficits that won't just burden our children and grandchildren, but could damage our markets, drive up our interest rates, and jeopardize our recovery right now.

There are certain core principles our families and businesses follow when they sit down to do their own budgets. They accept that they can't get everything they want, and they focus on what they really need. They make tough decisions and sacrifice for their kids. They don't spend what they don't have, and they make do with what they've got.

It's time their Government did the same. That's why I'm pleased that the Senate has just restored the pay-as-you-go law that was in place back in the 1990s. It's no coincidence that we ended that decade with a \$236 billion surplus. But then we did away with PAYGO, and we ended the next decade with a \$1.3 trillion deficit. Reinstating this law will help us get back on track, ensuring that every time we spend, we find somewhere else to cut.

I've also proposed a spending freeze so that as we increase investments in things we need, like job creation and middle class tax cuts, we cut spending on those we don't, like tax cuts for oil companies and investment fund managers and programs that are redundant, obsolete, or simply ineffective. Spending related to Medicare, Medicaid, and Social Security will not be

affected, and neither will national security, but all other discretionary Government programs will.

Finally, I've called for a bipartisan fiscal commission, a panel of Democrats and Republicans who would sit down and hammer out concrete deficit reduction proposals by a certain deadline. Because we've heard plenty of talk and a lot of yelling on TV about deficits, and it's now time to come together and make the painful choices we need to eliminate those deficits.

This past week, 53 Democrats and Republicans voted for this commission in the Senate. But it failed when seven Republicans who had cosponsored this idea in the first place suddenly decided to vote against it.

Now, it's one thing to have an honest difference of opinion about something. I will always respect those who take a principled stand for what they believe, even if I disagree with them. But what I won't accept is changing positions because it's good politics. What I won't accept is opposition for opposition's sake.

We can't have a serious discussion and take meaningful action to create jobs and control our deficit if politicians just do what's necessary to win the next election instead of what's best for the next generation. I'm eager and ready to work with anyone who's serious about solving the real problems facing our people and our country. I welcome anyone who comes to the table in good faith to help get our economy moving again and fulfill this country's promise. That's why we were elected in the first place. That's what the American people expect and deserve. And that's what we must deliver.

Thanks so much.

NOTE: The address was recorded at approximately 6:10 p.m. on January 29 in the Library at the White House for broadcast at 10:06 a.m. on January 30. The transcript was made available by the Office of the Press Secretary on January 29 but was embargoed for release until 6 a.m. on January 30. The Office of the Press Secretary also released a Spanish language transcript of this address.

*Categories:* Addresses and Remarks : Weekly addresses.

*Locations:* Washington, DC.

*Subjects:* Budget, Federal : Deficit; Budget, Federal : Deficit reduction commission, proposed; Budget, Federal : Government programs, spending reductions Business and industry : Domestic investment, proposed tax breaks for; Business and industry : Small and minority businesses; Congress : Bipartisanship; Economy, national : Improvement; Economy, national : Strengthening efforts; Employment and unemployment : Job creation and growth; Employment and unemployment : Job losses; Health and medical care : Medicare and Medicaid; Legislation, proposed : "Statutory Pay-As-You-Go Act of 2009"; Taxation : Capital gains tax, proposed reduction; Taxation : Tax relief.

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